

PAY TO THE ORDER OF  
BANK OF AMERICA  
OAK RIDGE, TN STRO  
FOR DEPOSIT ONLY  
ACHIEVE TELECOM NETWORK OF MA, LTD

U.S. DISTANCE LEARNING ASSOCIATION  
DIGITAL DIVIDE FUND  
6 WATTEL ST., STE 308  
BOSTON, MA 02108-4741

08-05

1032

ES-18/118 MA  
02512

Date 11/30/06

Pay to the Order of Achieve Tele.com \$ 8,100.00

Eight thousand one hundred Dollars ☒ ☐

Bank of America

ACH NTE 011000138

QUENCE #5

For CHS-1106 & SARA-1106



U.S. DISTANCE LEARNING ASSOCIATION  
DIGITAL DIVIDE FUND

1 WINTER ST. STE 508  
BOSTON, MA 02108-4741

04-09

1033

03-12/116 MA  
0012

Date 12/6/06

Pay to the  
Order of

Achieve Telecom

\$ 8,000.00

Eight thousand one hundred

Dollars & 00/100

Bank of America



ACH REF 011001100

For Dom-1206 + Che-1206

John J. H.

PAY TO THE ORDER OF  
BANK OF AMERICA  
FOR DEPOSIT ONLY  
ACH REF TELECOMMUNICATIONS OF MA, LLC

U.S. DISTANCE LEARNING ASSOCIATION  
DIGITAL DIVIDE FUND  
8 WINTER ST. STE 508  
BOSTON, MA 02108-4741

08-05

1034

63-13/180 BA  
82612

Date 1/10/07

Pay to the  
Order of

Achieve360.com

\$ 8,100.00

Eight thousand one hundred

Dollars



Bank of America

ACH RTT 01/10/07

For

Som-701 + CHE0701

John P. H.

U.S. DISTANCE LEARNING ASSOCIATION  
DIGITAL DIVIDE FUND  
8 WINTER ST. STE 308  
BOSTON, MA 02108-4741

09-05

1036

03-12/18 MA  
FEB 12

Date 2/15/07

Pay to the  
Order of

ACHieve Telecom Network

\$ 22,977.00

Twenty two thousand nine hundred seventy seven Dollars

Bank of America



ACH BYT 041000000

BKX-0702

For

SOM-0702 CHE-0702

John P. H.

ACHIEVE TELECOM NETWORK OF MA, LLC  
PAY TO THE ORDER OF  
BANK OF AMERICA  
FOR DEPOSIT ONLY  
OK RIDE IN STREET

U.S. DISTANCE LEARNING ASSOCIATION  
DIGITAL DIVIDE FUND  
8 WINTER ST. STE 308  
BOSTON, MA 02108-4741

08-05

1037

53-13710  
2387

Date 3/16/07

Pay to the  
Order of

Achieve Telecom Veterans \$ 22,275.00

Twenty two thousand two hundred & seventy five Dollars

Bank of America



ACH NPT 011000100

For 5000-0703 0002-0703 8800-0703

John P. Han

PAY TO THE ORDER OF  
BANK OF AMERICA  
DANIEL D. J. J. J.  
FOR DEPOSIT ONLY  
ACHIEVE TELECOM NETWORK OF MA, LTD

U.S. DISTANCE LEARNING ASSOCIATION  
DIGITAL DIVIDE FUND  
8 WINTER ST. STE 508  
BOSTON, MA 02108-4741

08-09

1043

63-13/110 MA  
62812

Date 4/12/07

Pay to the  
Order of

Achieve Telecom Network

\$ 750.00

Seven hundred + fifty

Dollars

Bank of America

ACH 98 011000 708

For

Invoice # CH2-0704

*[Signature]*

ACH 98 011000 708  
U.S. DISTANCE LEARNING ASSOCIATION  
DIGITAL DIVIDE FUND  
8 WINTER ST. STE 508  
BOSTON, MA 02108-4741

PAY TO THE ORDER OF  
BANK OF AMERICA  
FOR DEPOSIT ONLY  
ACHIEVE TELECOM NETWORK OF MA, LLC

U.S. DISTANCE LEARNING ASSOCIATION  
DIGITAL DIVIDE FUND

08-05

1049

8 WINTER ST STE 508  
BOSTON, MA 02108-4741

66-12/10 66  
6/12

Date 5/15/07

Pay to the  
Order of

Achieve Telecom Network

\$ 750.00

Seven hundred & fifty

Dollars 

Bank of America

ACH B/T 011000150

MOORE

For

CH# 0706

John E. Moore

PAY TO THE ORDER OF  
BANK OF AMERICA  
OAK RIDGE, TN 37831  
FOR DEPOSIT ONLY  
ACHIEVE TELECOM NETWORK OF MA, LLC

U.S. DISTANCE LEARNING ASSOCIATION  
DIGITAL DIVIDE FUND  
8 WINTER ST. STE 508  
BOSTON, MA 02108-4741

08-05

1054

50-10/10 100  
10/11

Date 6/12/07

Pay to the  
Order of

Achieve Telecom Network

\$ 750.00

Seven hundred & fifty

Dollars

@ 

Bank of America

ACH RPT #11000135

For

CHE-0706



PAY TO THE ORDER OF  
BANK OF AMERICA  
OAKRIDGE, TN 37830  
FOR DEPOSIT ONLY  
ACHIEVE TELECOM NETWORK OF MA, LLC



*J. E. H.*

PAY TO THE ORDER OF  
BANK OF AMERICA  
DOLLAR DEPOSIT SLIP  
FOR DEPOSIT ONLY  
ACHIEVE ITS FOUNDED NETWORK OF 14,000

U.S. DISTANCE LEARNING ASSOCIATION  
DIGITAL DIVIDE FUND  
8 WINTER ST. STE 509  
BOSTON, MA 02108-4741

08-09

1036

10-12/119 16A  
RBR 12

Date 2/15/07

Pay to the  
Order of

ACHieve Telecom Network

\$ 22,977.00

Twenty two thousand nine hundred seventy seven Dollars

Bank of America



ACH AT DIVISION

BKX-0702

For SOM-0702 CHE-0702

John F. [Signature]

PAY TO THE ORDER OF  
BANK OF AMERICA  
ONE RIVER ST. 2ND FL.  
FOR DEPOSIT ONLY  
ACHIEVE TELECOM NETWORK OF MA, LLC

U.S. DISTANCE LEARNING ASSOCIATION  
DIGITAL DIVIDE FUND

8 WINTER ST. STE 308  
BOSTON, MA 02108-4741

08-05

1037

52-12/110 MA  
RJG/1

Date 3/6/07

Pay to the  
Order of

Achieve Telecom Networks

\$ 22,275.00

Twenty two thousand two hundred and seventy five Dollars

Bank of America



ACH RPT 01/000138

For Som-0703 0A2-0703 880-0703

John F. H.

PAY TO THE ORDER OF  
BANK OF AMERICA  
CASHIER/TELLER  
FOR DEPOSIT ONLY  
ACHIEVE TELECOM NETWORK OF MA, LLC

## **EXHIBIT 17**

**WAYNE E KRUPSKY, CPA P.C.**

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**CERTIFIED PUBLIC ACCOUNTANT**

To Whom It May Concern,

From: Wayne E Krupsky CPA MST

RE: United States Distance Learning Association, Inc. / Digital Divide Funds

This letter is to confirm the reporting, determined by me as the accountant for United States Distance Learning Association, Inc. (USDLA), of funds received by them dedicated to the digital divide project. It was my understanding that USDLA was acting as a grantor and disburser to school districts in the development and application of distance learning networks with the approval of the USDLA Board of Directors. In addition it was my belief and understanding that USDLA had no financial interest in such activities except for the monitoring of funds in support of various Distance Learning projects.

Based upon that understanding it was determined that the charitable intent of the donors was not USDLA but the Digital Divide Fund and the school districts. It was also my understanding that the function of USDLA was to receive Distance Learning funds for disbursement on behalf of school districts in connection with approved grant applications for Distance Learning projects and that such activity had no effect on the financial position or the operating results of USDLA. Accordingly, no revenues or expenses were reflected by USDLA in its financial statements or its tax returns.

## **EXHIBIT 18**



CITY OF SOMERVILLE, MASSACHUSETTS  
LAW DEPARTMENT

November 7, 2008

Federal Communications Commission  
Office of the Secretary  
445 12<sup>th</sup> Street SW  
Washington, DC 20554

RE: NOTICE OF APPEAL

SPIN:	143026761
Form 471 Application Number:	425096
Funding Year:	2004
FCC Registration Number	
Applicant Name:	SOMERVILLE SCHOOL DISTRICT
Billed Entity Number:	120536
Applicant Contact Person:	James Halloran

To Whom It May Concern:

Please be advised that I am the City Solicitor for the City of Somerville, Massachusetts ("the City"). As the City's attorney, I am writing to inform you that the City does hereby appeal the Notice of Commitment Adjustment Letter and Decision for Funding Year 2004: 7/01/04 - 6/30/04, which was submitted to the City by the Universal Service Administrative Company Schools and Libraries Division ("USAC") on or about September 8, 2008. I have enclosed herewith a copy of the Notification of Commitment Adjustment Letter issued by USAC on September 8, 2008. It is the City's position that any and all funding issues are the result of actions of Achieve Telecom and its commitment that the City would bear no costs for the services provided by Achieve Telecom. Therefore, the City should not be liable for any funding discrepancy, if any.

In addition to this appeal filed with the Federal Communication Commission, the City, in order to preserve its appeal rights, on this day filed an appeal with USAC.

Please feel free to contact me concerning this matter. My contact information is as follows:

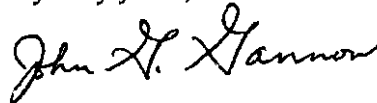
SOMERVILLE CITY HALL • 93 HIGHLAND AVENUE • SOMERVILLE, MASSACHUSETTS 02143  
(617) 625-6600, EXT. 4400 • TTY: (617) 666-0001 • FAX: (617) 776-8847  
E-MAIL: LAW@CI.SOMERVILLE.MA.US • WWW.CI.SOMERVILLE.MA.US



Office of the Secretary  
November 7, 2008  
Page 2 of 2

John G. Gannon  
City Solicitor  
Law Department  
Somerville City Hall  
93 Highland Avenue  
Somerville, MA 02143  
Tel: 1-617-625-6600, x4410  
Fax: 1-617-776-8847  
E-Mail: [jgannon@ci.somerville.ma.us](mailto:jgannon@ci.somerville.ma.us)

Very truly yours,

A handwritten signature in black ink that reads "John G. Gannon". The signature is written in a cursive, flowing style.

John G. Gannon  
City Solicitor

JGG/  
Enclosures

cc: Joseph A. Curtatone, Mayor  
Michael T. Buckley, Mayor's Aide  
Frank X. Wright, Assistant City Solicitor



## **EXHIBIT 19**

## DECLARATION STATEMENT

1. I, James Halloran was the Director of Information Technology for the City of Somerville, Somerville, Massachusetts ("Somerville"). I occupied the position from January, 2004 until March, 2007. My responsibilities with the Somerville included the oversight of the process of preparing, submitting and processing applications for financial support from the Schools and Libraries Support Mechanism ("E-Rate Program") administered by the Universal Service Administrative Company ("USAC").

2. Consistent with my responsibilities, I participated in the Somerville's application process for E-Rate Program support for Funding Years 2005-2006 and 2006-2007 relating to FCC Form 470 Applications filed for certain eligible telecommunications services ("Application"). Part of that participation included, when necessary, meeting, after the required posting of the Application with USAC, with representatives of Achieve Telecom Network of Massachusetts, LLC ("Achieve") to receive a presentation about Achieve's digital transmission services. I also reviewed written proposals submitted by Achieve concerning its proposed services in response to the Applications. Pursuant to state and local procurement rules and E-Rate Program Rules, for each of the Funding Years in questions, Somerville chose Achieve to provide the digital transmission services. As required under E-Rate Program Rules, the Somerville timely submitted FCC Form 471 Nos. 2005-2006: 455467; 2006-2007: 516499 to USAC. USAC approved the E-Rate Program support by Funding Commitment Decisions Letters for Funding Requests Nos. 1257549 and 1421087, for 2005-2006 and 2006-2007 respectively (FDLS").

3. I have reviewed the both Notification of Commitment Adjustment Letters, dated January 14, 2009, whereby USAC has rescinded and seeks recovery of the support approved or provided

pursuant to the FCDL ("Decisions"). In particular, I have reviewed the Funding Commitment Adjustment Explanations. I am providing this Declaration in connection with the Somerville's appeal of the Decisions.

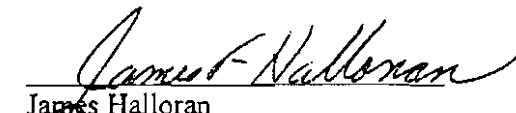
4. Achieve's oral and written presentations to the Somerville in connection with the Applications did not represent in any way that Achieve was offering a service that would be "no cost" to the Somerville.

5. To the best of my knowledge and belief, Somerville was not aware of the existence of any partnership between Achieve and USDLA. To the best of my knowledge and belief, Somerville was unaware that Achieve allegedly solicited donations for USDLA.

6. To the best of my knowledge and belief, there was never an offer by Achieve to waive or otherwise not require payment of Somerville's Share. Nor did Achieve ever offer to rebate Somerville's Share.

7. Somerville did not withhold information as to the application and award of the Grant from USDLA to cover Somerville's Share throughout all aspects of the E-Rate application process, selective review process, and service invoice processing.

I declare under penalty of perjury that the foregoing is true and correct on this 5th day of March, 2009.

  
James Halloran

Middlesex, ss.

On this 5th day of March, 2009, before me, the undersigned notary public, personally appeared James Halloran, who is personally known to me to be the person whose name is signed on the preceding document, and who swore or affirmed to me that the contents of the document are truthful and accurate to the best of his knowledge and belief.

  
Notary Public – Francis X. Wright, Jr.  
My commission expires: June 18, 2015

### DECLARATION STATEMENT

I, Kate Ashton am the Grants Administrator for the City of Somerville, Somerville, Massachusetts ("Somerville"). I have occupied the position since September, 2000. My responsibilities with the City of Somerville included participation in the process of preparing, submitting and processing applications for financial support from the Schools and Libraries Support Mechanism ("E-Rate Program") administered by the Universal Service Administrative Company ("USAC"), as well as participation in the selective review process.

2. Consistent with my responsibilities, I participated in Somerville's application process for E-Rate Program support for Funding Years 2005-2006 and 2006-2007 relating to FCC Form 470 Applications filed for certain eligible telecommunications services ("Application"). My role in the 471 submissions to USAC for Long Distance Learning Services to be provided by Achieve subject to E-Rate approval was related to setting up and keeping files of the documents relating to the Achieve 471 submissions and assisting the City's E-Rate Administrative Authority in coordinating the E-Rate process with the E-Rate consultant. As required under E-Rate Program Rules, Somerville timely submitted FCC Form 471 Nos. 2005-2006: 455467; 2006-2007: 516499 to USAC. USAC approved the E-Rate Program support by Funding Commitment Decisions Letters for Funding Requests Nos. 1257549 and 1421087, for 2005-2006 and 2006-2007 respectively (FDLS").

3. I have reviewed both Notification of Commitment Adjustment Letters, dated January 14, 2009, whereby USAC has rescinded and seeks recovery of the support approved or provided pursuant to the FCDL ("Decisions"). In particular, I have reviewed

the Funding Commitment Adjustment Explanations. I am providing this Declaration in connection with the Somerville's appeal of the Decisions.

4. I learned from School Personnel that there was an opportunity for the School District to apply for a grant to cover the District's share of the cost of the services ("Somerville Share") covered by the Applications ("Grant").

5. To the best of my knowledge and belief, Somerville was not aware of the existence of any partnership between Achieve and USDLA and was unaware that Achieve allegedly solicited donations for USDLA.

6. To the best of my knowledge and belief, there was never an offer by Achieve to waive or otherwise not require payment of Somerville School District's share. Nor to the best of my knowledge did Achieve ever offer to rebate the District's share.

7. My responsibilities with the City of Somerville included the oversight of the process of preparing, submitting and processing the Selective Review Process for the Schools and Libraries Division ("E-Rate Program") administered by the Universal Service Administrative Company ("USAC"), by and through Grant Thornton LLP for Funding Year 2006, as it related to the submissions of the billed entity, the Somerville School District.

8. Consistent with my responsibilities, as an administrator supporting the E-Rate Authorized Representative and working with the Authorized Representative, I compiled all necessary review material and provided all necessary documentation on behalf of the Somerville School District, as it related to the selective review process. The District disclosed the grant award from United States Distance Learning Association ("USDLA") in response to Item 10.4 of Attachment B., see Exhibit 1.

9. In its "Report of Independent Certified Public Accountant", dated July 15, Grant Thornton LLP 2008, which conducted the selective review, concluded that the Somerville School District complied with the requirements relative to disbursements of funds and its applications and service provider selections processes, see Exhibit 2.

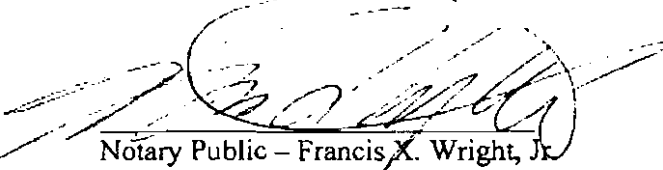
10. To the best of my knowledge the Somerville did not withhold information as to the application and award of the Grant from USDLA to cover the Somerville School District's share throughout all aspects of the E-Rate application process and selective review process.

I declare under penalty of perjury that the foregoing is true and correct on this 12th day of March, 2009.

  
\_\_\_\_\_  
Kate Ashton

Middlesex, ss.

On this 12th day of March, 2009, before me, the undersigned notary public, personally appeared Kate Ashton, who is personally known to me to be the person whose name is signed on the preceding document, and who swore or affirmed to me that the contents of the document are truthful and accurate to the best of her knowledge and belief.

  
\_\_\_\_\_  
Notary Public – Francis X. Wright, Jr.  
My commission expires: June 18, 2018

## DECLARATION STATEMENT

1, Joseph Mastrocola was the Coordinator of Instructional Technology for the City of Somerville School District, Somerville, Massachusetts ("Somerville"). I occupied the position during the time period at issue, until June 2006. My responsibilities with Somerville included assisting with the applications for financial support from the Schools and Libraries Support Mechanism ("E-Rate Program") administered by the Universal Service Administrative Company ("USAC").

2. Consistent with my responsibilities, I participated in Somerville's application process for E-Rate Program support for Funding Years 2005-2006 relating to FCC Form 470 Applications filed for certain eligible telecommunications services ("Application"). I did not take part in the process for 2006-2007 because I had left my position with Somerville in June 2006. Part of my participation included, when necessary, meeting, after the required posting of the Application with USAC, with representatives of Achieve Telecom Network of Massachusetts, LLC ("Achieve") to receive a presentation about Achieve's digital transmission services. I also reviewed of written proposals submitted by Achieve concerning its proposed services in response to the Applications. Pursuant to state and local procurement rules and E-Rate Program Rules, for each of the Funding Years in questions, Somerville chose Achieve to provide the digital transmission services pursuant to the terms of a contract entered into by the City of Somerville and Achieve.. As required under E-Rate Program Rules, Somerville timely submitted FCC Form 471 No. 2005-2006: 455467; to USAC. USAC approved the E-Rate Program support by Funding Commitment Decisions Letter for Funding Requests No. 1257549 for 2005-2006 (FDLS").

3. I have reviewed the Notification of Commitment Adjustment Letters, dated January 14, 2009, whereby USAC has rescinded and seeks recovery of the support approved or provided pursuant to the FCDL ("Decisions"). In particular, I have reviewed the Funding Commitment Adjustment Explanations. I am providing this Declaration in connection with the Somerville's appeal of the Decisions.

4. Achieve's oral and written presentations to Somerville in connection with the Applications did not represent in any way that Achieve was offering a service that would be "no cost" to the Somerville. Achieve did inform Somerville of the opportunity to apply for a grant from the United States Distance Learning Association ("USDLA") to cover Somerville's share of the cost of the services ("Somerville Share") covered by the Applications ("Grant"). Achieve also generally noted that there were other potential sources of such grants. However, Achieve did not represent, either orally or in writing to Somerville that if Somerville selected Achieve as its service provider and applied for such a Grant from USDLA, that approval of the Grant by USDLA was guaranteed. Achieve did not present an automatic Grant from USDLA as part of the Achieve service proposal made to Somerville. Furthermore, USDLA specified that the Grant awards were not contingent upon the selection of Achieve for the provision of services to the Somerville.

5. Somerville obtained, prepared and filed its own applications with USDLA for the Grants. Achieve was not involved in any way in the Grant application process. On behalf of Somerville I dealt directly with USDLA personnel in completing the necessary forms to apply for the Grants.



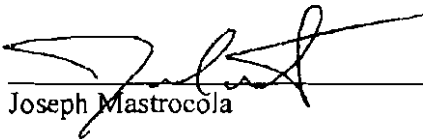
6. To the best of my knowledge and belief, Somerville was not aware of the existence of any partnership between Achieve and USDLA. To the best of my knowledge and belief, Somerville was unaware that Achieve allegedly solicited donations for USDLA.

7. To the best of my knowledge and belief, there was never an offer by Achieve to waive or otherwise not require payment of Somerville's Share. Nor did Achieve ever offer to rebate Somerville's Share.

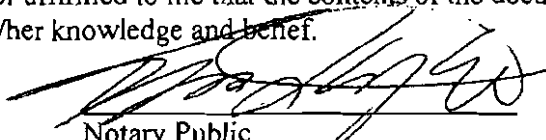
8. Somerville did not withhold information as to the application and award of the Grant from USDLA to cover Somerville's Share throughout all aspects of the E-Rate application process, selective review process, and service invoice processing.

I declare under penalty of perjury that the foregoing is true and correct on this 6th day of March, 2009.

Essex  
Middlesex, ss.

  
Joseph Mastrocola

On this 6th day of March, 2009, before me, the undersigned notary public, personally appeared Joseph Mastrocola, proved to me through satisfactory evidence of identification, which was driver's license, to be the person whose name is signed on the preceding document, and who swore or affirmed to me that the contents of the document are truthful and accurate to the best of his/her knowledge and belief.

  
Notary Public  
My commission expires: June 15, 2015